Appendix IV

[*Vide* item VIII (3)]

L.A. Bill No. 29 of 1970.

(As passed by the Assembly)

A Bill further to amend the Tamil Nadu Agricultural Produce Markets Act, 1959 and to validate the levy and collection of cess under the said Act.

Be it enacted by the Legislature of the State of Tamil Nadu in the Twenty-first year of the Republic of India as follows :—

1. *Short title and commencement.*—(1) This Act may be called the Tamil Nadu Agricultural Produce Markets (Amendment and Validation of Cess) Act, 1970.

(2) Section 2 shall be deemed to have come into force on the 22nd October 1962 and shall remain in force till such date as the State Government may, by notification, appoint.

2. *Amendment of section* 18, *Tamil Nadu Act* 23 *of* 1959.—In section 18 of the Tamil Nadu Agricultural Produce Markets Act, 1959 (Tamil Nadu Act 23 of 1959) (hereinafter referred to as the principal Act,)—

(i) in sub-section (1),—

(*a*) for the words "the market committee shall levy a cess by way of sales tax on any notified agricultural produce bought or sold," the words "the market committee shall, in the case of notified agricultural produces (other than notified agricultural produces which are declared goods) levy a cess by way of sales tax on such notified agricultural produces bought or sold," shall be substituted ;

(*b*) in Explanation I, for the words "this sub-section," the words "this section" shall be substituted ;

(ii) in sub-section (2), for the expression "sub-section (1)", the expression "this section" shall be substituted ;

(iii) for sub-section (3), the following sub-section shall be substituted, namely :—

"(3) In the case of notified agricultural produces which are declared goods and which are bought or sold in the notified market area, the market committee shall levy a cess by way of sales-tax—

(i) at the same point at which such declared goods are taxable under the Tamil Nadu General Sales Tax Act, 1959 (Tamil Nadu Act I of 1959) ; and

(ii) at a rate not exceeding fifty paise for every hundred rupees of the aggregate amount for which such notified agricultural produces are bought or sold, whether for cash or for deferred payment, or other valuable consideration :

Provided that in the case of tobacco and sugar, the cess under this sub-section shall be levied only at the point of last purchase :

Provided further that the rate of cess payable under this sub-section, together with the rate of tax payable under the Tamil Nadu General Sales Tax Act, 1959 (Tamil Nadu Act I of 1959) shall, at no time, exceed the rate specified in section 15 of the Central Sales Tax Act, 1956 (Central Act 74 of 1956) (hereinafter referred to as the Central Act) :

Provided also that where the rate of cess payable under this sub-section, together with the rate of tax payable under the Tamil Nadu General Sales Tax Act, 1959 (Tamil Nadu Act I of 1959), exceeds the rate specified in section 15 of the Central Act, the rate of cess mentioned in this sub-section shall stand reduced proportionately in such manner that the reduced rate, together with the rate of tax payable under the Tamil Nadu General Sales Tax Act, 1959 (Tamil Nadu Act I of 1959) shall, at no time, exceed the rate specified in section 15 of the Central Act.

Explanation.—For the purposes of this section, the expression "declared goods" shall mean the goods declared by section 14 of the Central Act to be of special importance in inter-State trade or commerce."

3. *Validation.*—Notwithstanding anything contained in any judgment, decree or order of any court or other authority, all cess levied or collected or purporting to have been levied or collected under the principal Act on the sale or purchase of agricultural produces which are declared goods by any market committee during the period commencing on the 22nd October 1962 and ending with the 18th August 1970 (both days inclusive), shall, for all purposes, in so far as such levy or collection is consistent with the provisions of section 2, be deemed to be, and to have always been, validly levied or collected in accordance with law as if section 2 had been in force at all material times when such cess was levied or collected and accordingly—

(*a*) all acts, proceedings or things done or taken by any authority, officer or person in connection with the levy or collection of such cess shall, for all purposes, be deemed to be and to have always been done or taken in accordance with law ;

(*b*) no suit or other proceeding shall be maintained or continued in any court for the refund of any cess so paid ;

(*c*) no court shall enforce any decree or order directing the refund of any cess so paid.

4. *Transitional provision.*—(1) Any person in respect of whom the cess on the sale or purchase of agricultural produces which are declared goods has been finally levied and collected under the provisions of the principal Act during the period commencing on the 22nd October 1962 and ending with the 18th August 1970 (both days inclusive), may apply in such manner and in such form as may be prescribed to the market committee concerned for the revision of the amount of cess payable by him in accordance with the provisions of section 18 of the principal Act as amended by this Act. On receipt of an application under sub-section (1), the market committee concerned shall revise the cess payable by that person in accordance with the provisions of section 18 of the principal Act as amended by this Act.

(2) If on such revision, the cess leviable on the sale or purchase of agricultural produces which are declared goods—

(*a*) is in excess of the cess already collected such excess shall be recovered in such manner and subject to such conditions as may be prescribed ; or

(*b*) is less than the amount of cess already collected in respect of such declared goods the difference shall be refunded to the person from whom such cess was collected in such manner and subject to such condition as may be prescribed.

Explanation.—For the purposes of this section, and section 3, the expression "declared goods" shall mean the goods declared by section 14 of the Central Sales Tax Act, 1956 (Central Act 74 of 1956), to be of special importance in inter-State trade or commerce.

5. *Repeal of Tamil Nadu Ordinance 2 of* 1970.—The Tamil Nadu Agricultural Produce Markets (Amendment and Validation of Cess) Ordinance, 1970 (Tamil Nadu Ordinance 2 of 1970) is hereby repealed.

I certfy that this is a Money Bill.

FORT ST. GEORGE,
MADRAS-9.
8th September, 1970.

K. GOVINDAN,
Speaker, Tamil Nadu Legislative Assembly.